

## **Senate Bill No. 788**

### **CHAPTER 523**

An act to amend Section 21080 of the Public Resources Code, to amend Section 6480.1 of the Revenue and Taxation Code, to amend Sections 301, 319, 325, 339, 349, 358, 366, 368, 374, 382, 386, 430, 622.1, and 890.4 of, and to repeal Section 301.2 of, the Streets and Highways Code, and to amend Sections 585, 5022, 5023, 5068, 5072, 5101.7, 5106, 12517.1, 14606, and 42007 of, to add Sections 385.2 and 385.3 to, and to repeal Sections 378 and 379 of, the Vehicle Code, relating to transportation.

[Approved by Governor October 3, 2013. Filed with  
Secretary of State October 3, 2013.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 788, Committee on Transportation and Housing. Transportation.

(1) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. Existing law exempts certain activities from CEQA, including a project for the institution or increase of passenger or commuter services on rail or highway rights-of-way already in use, including modernization of existing stations and parking facilities.

This bill would define the term "highway" for these purposes.

(2) Existing law requires that on July 1 of each succeeding year, the prepayment rate of the retail sales tax per gallon for aircraft jet fuel, rounded to the nearest \$0.005, be established by the State Board of Equalization based upon 80% of the combined state and local sales tax rate, as specified, on the arithmetic average selling price, excluding sales and state excise taxes, as determined by the board. Existing law requires the board to make its determination of the rate no later than March 1 of the year prior to the effective date of the new rate. Existing law requires that immediately upon making its determination and setting of the rate, the board must each year, no later than May 1, notify every supplier, wholesaler, and retailer of aircraft jet fuel. Existing law permits the board to readjust the rate in the event the price of aircraft jet fuel decreases or increases, and the established rate results in prepayments that consistently exceed or are significantly lower than the retailers' sales tax liability.

This bill would revise the provision that requires the board to make its determination of the rate no later than March 1 of the year prior to the effective date of the new rate, and instead would require this determination

to be made no later than March 1 of the same year as the effective date of the new rate. The bill would make other conforming changes.

(3) Existing law gives the Department of Transportation full possession and control of all state highways. Existing law describes the authorized routes in the state highway system and establishes a process for adoption of a highway on an authorized route by the California Transportation Commission. Existing law authorizes the commission to relinquish certain state highway segments to local agencies.

This bill would authorize the commission to relinquish portions of State Highway Routes 68, 74, and 86 to local agencies under certain conditions. This bill would also authorize the commission to relinquish a portion of State Highway Route 25 in the City of Hollister to that city prior to relocation of that route to a proposed new easterly bypass alignment, under certain conditions, and would thereafter require the commission to adopt the new bypass alignment into the state highway system, as specified. This bill would revise the descriptions of certain authorized state highway routes to reflect implementation of previously authorized relinquishments. This bill would repeal an existing requirement that the City of Auburn ensure the continuity of traffic flow, including any traffic signal progression, on a former portion of State Highway Route 49 previously relinquished to it. The bill would make other related changes.

(4) Existing law defines “bikeway” for certain purposes to mean all facilities that provide primarily for bicycle travel. Existing law categorizes bikeways into 3 classes of facilities.

This bill would make various modifications to these provisions.

(5) Existing law defines the terms “logging dolly,” “logging vehicle,” “station wagon,” and “schoolbus accident” for purposes of the Vehicle Code.

This bill would renumber certain of these provisions and revise the definitions of logging dolly, station wagon, and schoolbus accident.

(6) Existing law authorizes the Department of Motor Vehicles to issue various specialized license plates, including license plates commemorating the Olympics. Existing law also provides for the issuance of substitute or duplicate Olympic license plates under certain conditions, and for issuance of Olympic plates as environmental license plates with a special series of letters or numbers. Existing law allows an existing holder of Olympic license plates to renew them or transfer them to another vehicle.

This bill would provide that substitute or duplicate Olympic license plates shall not be available beginning on January 1, 2014. The bill would provide for the department to issue regular series plates whenever holders of Olympic plates request substitute or duplicate plates, and, in that regard, would also authorize holders of Olympic plates issued as environmental license plates to apply for other special license plates to be issued with the same combination of letters or numbers as appear on their Olympic plates. The bill would make other conforming changes.

(7) Existing law provides for certain revenues derived from Olympic license plates to be deposited in the California Olympic Training Account

in the General Fund. Existing law requires the Controller to annually transfer the moneys in that account to the General Fund.

This bill would instead provide for deposit of those revenues directly into the General Fund.

(8) Existing law also authorizes the Department of Motor Vehicles to issue specialized license plates for veterans' associations and to fund child health and safety programs. Existing law requires payment of an additional specified charge for personalization of these plates.

This bill would provide that these specialized license plates are not subject to the payment of another charge generally applicable to personalization of license plates.

(9) Existing law prohibits a person from employing, hiring, knowingly permitting, or authorizing any person to drive a motor vehicle owned by him or her or under his or her control upon the highways unless that person is licensed for the appropriate class of vehicle to be driven. Existing law requires that whenever a person fails to qualify, on reexamination, to operate a commercial motor vehicle, an employer shall report that failure to the Department of Motor Vehicles within 10 days. Existing law requires that, until January 30, 2014, if a driver has no medical certification status information in the Commercial Driver License Information System motor vehicle record obtained from the driver's state licensing agency, the employing motor carrier may accept as proof of medical certification a medical examiner's certificate issued to that driver prior to January 30, 2012. Existing law, operative January 1, 2014, requires an employer to obtain from a driver required to have a commercial driver's license or commercial endorsement a copy of the driver's medical certification before allowing the driver to operate a commercial motor vehicle. Existing law requires the employer to retain the certification as part of a driver qualification file.

This bill would change the provision with an operative date of January 1, 2014, to instead become operative on January 30, 2014.

(10) Existing law allows an individual convicted of a traffic offense to attend a traffic violator school course under certain circumstances. Completion of the course results in confidentiality of the conviction on the driving record, except in the case of an individual with a commercial driver's license, in which case completion of the course results in a nonconfidential conviction with no violation points on the driving record. Existing law requires the courts, in a courtesy notice sent to a driver with a traffic citation, to include specified information on the effect on the driving record of attending a traffic violator school course.

This bill would revise the text of the required courtesy notice to reflect the distinction between noncommercial and commercial driver's licenses.

*The people of the State of California do enact as follows:*

SECTION 1. Section 21080 of the Public Resources Code is amended to read:

21080. (a) Except as otherwise provided in this division, this division shall apply to discretionary projects proposed to be carried out or approved by public agencies, including, but not limited to, the enactment and amendment of zoning ordinances, the issuance of zoning variances, the issuance of conditional use permits, and the approval of tentative subdivision maps unless the project is exempt from this division.

(b) This division does not apply to any of the following activities:

(1) Ministerial projects proposed to be carried out or approved by public agencies.

(2) Emergency repairs to public service facilities necessary to maintain service.

(3) Projects undertaken, carried out, or approved by a public agency to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(4) Specific actions necessary to prevent or mitigate an emergency.

(5) Projects which a public agency rejects or disapproves.

(6) Actions undertaken by a public agency relating to any thermal powerplant site or facility, including the expenditure, obligation, or encumbrance of funds by a public agency for planning, engineering, or design purposes, or for the conditional sale or purchase of equipment, fuel, water (except groundwater), steam, or power for a thermal powerplant, if the powerplant site and related facility will be the subject of an environmental impact report, negative declaration, or other document, prepared pursuant to a regulatory program certified pursuant to Section 21080.5, which will be prepared by the State Energy Resources Conservation and Development Commission, by the Public Utilities Commission, or by the city or county in which the powerplant and related facility would be located if the environmental impact report, negative declaration, or document includes the environmental impact, if any, of the action described in this paragraph.

(7) Activities or approvals necessary to the bidding for, hosting or staging of, and funding or carrying out of, an Olympic games under the authority of the International Olympic Committee, except for the construction of facilities necessary for the Olympic games.

(8) The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies which the public agency finds are for the purpose of (A) meeting operating expenses, including employee wage rates and fringe benefits, (B) purchasing or leasing supplies, equipment, or materials, (C) meeting financial reserve needs and requirements, (D) obtaining funds for capital projects necessary to maintain

service within existing service areas, or (E) obtaining funds necessary to maintain those intracity transfers as are authorized by city charter. The public agency shall incorporate written findings in the record of any proceeding in which an exemption under this paragraph is claimed setting forth with specificity the basis for the claim of exemption.

(9) All classes of projects designated pursuant to Section 21084.

(10) A project for the institution or increase of passenger or commuter services on rail or highway rights-of-way already in use, including modernization of existing stations and parking facilities. For purposes of this paragraph, “highway” shall have the same meaning as defined in Section 360 of the Vehicle Code.

(11) A project for the institution or increase of passenger or commuter service on high-occupancy vehicle lanes already in use, including the modernization of existing stations and parking facilities.

(12) Facility extensions not to exceed four miles in length which are required for the transfer of passengers from or to exclusive public mass transit guideway or busway public transit services.

(13) A project for the development of a regional transportation improvement program, the state transportation improvement program, or a congestion management program prepared pursuant to Section 65089 of the Government Code.

(14) Any project or portion thereof located in another state which will be subject to environmental impact review pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.) or similar state laws of that state. Any emissions or discharges that would have a significant effect on the environment in this state are subject to this division.

(15) Projects undertaken by a local agency to implement a rule or regulation imposed by a state agency, board, or commission under a certified regulatory program pursuant to Section 21080.5. Any site-specific effect of the project which was not analyzed as a significant effect on the environment in the plan or other written documentation required by Section 21080.5 is subject to this division.

(c) If a lead agency determines that a proposed project, not otherwise exempt from this division, would not have a significant effect on the environment, the lead agency shall adopt a negative declaration to that effect. The negative declaration shall be prepared for the proposed project in either of the following circumstances:

(1) There is no substantial evidence, in light of the whole record before the lead agency, that the project may have a significant effect on the environment.

(2) An initial study identifies potentially significant effects on the environment, but (A) revisions in the project plans or proposals made by, or agreed to by, the applicant before the proposed negative declaration and initial study are released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur, and (B) there is no substantial evidence, in light of the whole

record before the lead agency, that the project, as revised, may have a significant effect on the environment.

(d) If there is substantial evidence, in light of the whole record before the lead agency, that the project may have a significant effect on the environment, an environmental impact report shall be prepared.

(e) (1) For the purposes of this section and this division, substantial evidence includes fact, a reasonable assumption predicated upon fact, or expert opinion supported by fact.

(2) Substantial evidence is not argument, speculation, unsubstantiated opinion or narrative, evidence that is clearly inaccurate or erroneous, or evidence of social or economic impacts that do not contribute to, or are not caused by, physical impacts on the environment.

(f) As a result of the public review process for a mitigated negative declaration, including administrative decisions and public hearings, the lead agency may conclude that certain mitigation measures identified pursuant to paragraph (2) of subdivision (c) are infeasible or otherwise undesirable. In those circumstances, the lead agency, prior to approving the project, may delete those mitigation measures and substitute for them other mitigation measures that the lead agency finds, after holding a public hearing on the matter, are equivalent or more effective in mitigating significant effects on the environment to a less than significant level and that do not cause any potentially significant effect on the environment. If those new mitigation measures are made conditions of project approval or are otherwise made part of the project approval, the deletion of the former measures and the substitution of the new mitigation measures shall not constitute an action or circumstance requiring recirculation of the mitigated negative declaration.

(g) Nothing in this section shall preclude a project applicant or any other person from challenging, in an administrative or judicial proceeding, the legality of a condition of project approval imposed by the lead agency. If, however, any condition of project approval set aside by either an administrative body or court was necessary to avoid or lessen the likelihood of the occurrence of a significant effect on the environment, the lead agency's approval of the negative declaration and project shall be invalid and a new environmental review process shall be conducted before the project can be reapproved, unless the lead agency substitutes a new condition that the lead agency finds, after holding a public hearing on the matter, is equivalent to, or more effective in, lessening or avoiding significant effects on the environment and that does not cause any potentially significant effect on the environment.

SEC. 2. Section 6480.1 of the Revenue and Taxation Code is amended to read:

6480.1. (a) At any time that motor vehicle fuel tax or diesel fuel tax is imposed or would be imposed, but for the dyed diesel fuel exemption in paragraph (1) of subdivision (a) of Section 60100, or the train operator exemption in paragraph (7) of subdivision (a) of Section 60100 or paragraph (11) of subdivision (a) of Section 7401, or, pursuant to subdivision (f) of Section 6480, would be deemed to be imposed, on any removal, entry, or

sale in this state of motor vehicle fuel, aircraft jet fuel, or diesel fuel, the supplier shall collect prepayment of retail sales tax from the person to whom the motor vehicle fuel, aircraft jet fuel, or diesel fuel is sold. However, if no sale occurs at the time of imposition of motor vehicle fuel tax or diesel fuel tax, the supplier shall prepay the retail sales tax on that motor vehicle fuel, aircraft jet fuel, or diesel fuel. The prepayment required to be collected by the supplier constitutes a debt owed by the supplier to this state until paid to the board, until satisfactory proof has been submitted to prove that the retailer of the fuel has paid the retail sales tax to the board, or until a supplier or wholesaler who has consumed the fuel has paid the use tax to the board. Each supplier shall report and pay the prepayment amounts to the board, in a form as prescribed by the board, in the period in which the fuel is sold. On each subsequent sale of that fuel, each seller, other than the retailer, shall collect from his or her purchaser a prepayment computed using the rate applicable at the time of sale. Each supplier shall provide his or her purchaser with an invoice for, or other evidence of, the collection of the prepayment amounts which shall be separately stated thereon.

(b) (1) A wholesaler shall collect prepayment of the retail sales tax from the person to whom the motor vehicle fuel, aircraft jet fuel, or diesel fuel is sold. Each wholesaler shall provide his or her purchaser with an invoice for or other evidence of the collection of the prepayment amounts, which shall be separately stated thereon.

(2) Each wholesaler shall report to the board, in a form as prescribed by the board and for the period in which the motor vehicle fuel, aircraft jet fuel, or diesel fuel was sold, all of the following:

(A) The number of gallons of fuel sold and the amount of sales tax prepayments collected by the wholesaler.

(B) The number of tax-paid gallons purchased and the amount of sales tax prepayments made by the wholesaler.

(C) In the event that the amount of sales tax prepayments collected by the wholesaler is greater than the amount of sales tax prepayments made by the wholesaler, then the excess constitutes a debt owed by the wholesaler to the state until paid to the board, or until satisfactory proof has been submitted that the retailer of the fuel has paid the tax to the board.

(c) A supplier or wholesaler who pays the prepayment and issues a resale certificate to the seller, but subsequently consumes the motor vehicle fuel, aircraft jet fuel, or diesel fuel, shall be entitled to a credit against his or her sales and use taxes due and payable for the period in which the prepayment was made, provided that he or she reports and pays the use tax to the board on the consumption of that fuel.

(d) The amount of a prepayment paid by the retailer or a supplier or wholesaler who has consumed the motor vehicle fuel, aircraft jet fuel, or diesel fuel to the seller from whom he or she acquired the fuel shall constitute a credit against his or her sales and use taxes due and payable for the period in which the sale was made. Failure of the supplier or wholesaler to report prepayments or the supplier's or wholesaler's failure to comply with any other duty under this article shall not constitute grounds for denial of the

credit to the retailer, supplier, or wholesaler, either on a temporary or permanent basis or otherwise. To be entitled to the credit, the retailer, supplier, or wholesaler shall retain for inspection by the board any receipts, invoices, or other documents showing the amount of sales tax prepaid to his or her supplier, together with the evidence of payment.

(e) The rate of the prepayment required to be collected during the period from July 1, 1986, through March 31, 1987, shall be four cents (\$0.04) per gallon of motor vehicle fuel distributed or transferred.

(f) The rate of prepayment required to be collected for motor vehicle fuel, aircraft jet fuel, and diesel fuel as established by the board in effect on January 1, 2013, shall remain in effect through June 30, 2013.

(g) On July 1 of each succeeding year, the prepayment rate per gallon for motor vehicle fuel, rounded to the nearest one-half of one cent (\$0.005), of the required prepayment shall be established by the board based upon 80 percent of the combined state and local sales tax rate established by Sections 6051, 6051.2, 6051.3, 6051.5, 7202, and 7203.1, and Section 35 of Article XIII of the California Constitution on the arithmetic average selling price (excluding sales tax) as reported by an industry publication of all grades of gasoline sold through a self-service gasoline station. The board shall make its determination of the rate no later than March 1 of the same year as the effective date of the new rate. Immediately upon making its determination and setting of the rate, the board shall each year, no later than May 1, notify every supplier, wholesaler, and retailer of motor vehicle fuel. In the event the price of fuel decreases or increases or an exemption from sales tax for sales of fuel is enacted, and the established rate results in or could result in prepayments which consistently exceed or are significantly lower than the retailers' sales tax liability, the board may readjust the rate.

(h) On July 1 of each succeeding year, the prepayment rate per gallon for aircraft jet fuel, rounded to the nearest one-half of one cent (\$0.005), shall be established by the board based upon 80 percent of the combined state and local sales tax rate established by Sections 6051, 6051.2, 6051.3, 6051.5, 7202, and 7203.1, and Section 35 of Article XIII of the California Constitution on the arithmetic average selling price (excluding sales and state excise taxes) as determined by the board based on published industry reports. The board shall make its determination of the rate no later than March 1 of the same year as the effective date of the new rate. Immediately upon making its determination and setting of the rate, the board shall each year, no later than May 1, notify every supplier, wholesaler, and retailer of aircraft jet fuel. In the event the price of aircraft jet fuel decreases or increases, and the established rate results in prepayments that consistently exceed or are significantly lower than the retailers' sales tax liability, the board may readjust the rate.

(i) On July 1 of each succeeding year, the prepayment rate per gallon for diesel fuel, rounded to the nearest one-half of one cent (\$0.005), shall be established by the board based upon 80 percent of the combined state and local sales tax rate established by Sections 6051, 6051.2, 6051.3, 6051.5, 6051.8, 7202, and 7203.1, and Section 35 of Article XIII of the California

Constitution on the arithmetic average selling price (excluding sales and state excise taxes) as determined by the board based on published industry reports. The board shall make its determination of the rate no later than March 1 of the same year as the effective date of the new rate. Immediately upon making its determination and setting of the rate, the board shall each year, no later than May 1, notify every supplier, wholesaler, and retailer of diesel fuel. In the event the rate of sales tax imposed on sales of diesel fuel increases or decreases or the price of diesel fuel decreases or increases, and the established rate results in or could result in prepayments that consistently exceed or are significantly lower than the retailers' sales tax liability, the board may readjust the rate.

(j) (1) Notwithstanding any other provision of this section, motor vehicle fuel sold by a supplier or wholesaler to a qualified purchaser who, pursuant to a contract with the State of California or its instrumentalities, resells that fuel to the State of California or its instrumentalities shall be exempt from the prepayment requirements.

(2) A qualified purchaser who acquires motor vehicle fuel for subsequent resale to the State of California or its instrumentalities pursuant to this subdivision shall furnish to the supplier or wholesaler from whom the fuel is acquired an exemption certificate, completed in accordance with any instructions or regulations as the board may prescribe. The supplier or wholesaler shall retain the certificate in his or her records in support of the exemption. To qualify for the prepayment exemption, both of the following conditions shall apply:

(A) The qualified purchaser does not take possession of the fuel at any time.

(B) The fuel is delivered into storage tanks owned or leased by the State of California or its instrumentalities via facilities of the supplier or wholesaler, or by common or contract carriers under contract with the supplier or wholesaler.

(3) For purposes of this subdivision, "qualified purchaser" means a wholesaler who does not have or maintain a storage facility or facilities for the purpose of selling motor vehicle fuel.

SEC. 3. Section 301 of the Streets and Highways Code is amended to read:

301. Route 1 is from:

(a) Route 5 south of San Juan Capistrano to Route 101 near El Rio except for the portions of Route 1 relinquished:

(1) Within the city limits of the City of Dana Point between the western edge of the San Juan Creek Bridge and Eastline Road at the city limits of the City of Laguna Beach.

(2) Within the city limits of the City of Newport Beach between Jamboree Road and Newport Coast Drive.

(3) Within the city limits of the City of Santa Monica between the southern city limits and Route 10.

(b) Route 101 at Emma Wood State Beach, 1.3 miles north of Route 33, to Route 101, 2.8 miles south of the Ventura-Santa Barbara county line at Mobil Pier Undercrossing.

(c) Route 101 near Las Cruces to Route 101 in Pismo Beach via the vicinity of Lompoc, Vandenberg Air Force Base, and Guadalupe.

(d) Route 101 in San Luis Obispo to Route 280 south of San Francisco along the coast via Cambria, San Simeon, and Santa Cruz.

(e) Route 280 near the south boundary of the City and County of San Francisco to Route 101 near the approach to the Golden Gate Bridge in San Francisco.

(f) Route 101 near the southerly end of Marin Peninsula to Route 101 near Leggett via the coast route through Jenner and Westport.

(g) The relinquished former portions of Route 1 within the Cities of Dana Point, Newport Beach, and Santa Monica are not state highways and are not eligible for adoption under Section 81. For those relinquished former portions of Route 1, the Cities of Dana Point, Newport Beach, and Santa Monica shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 1. The City of Newport Beach shall ensure the continuity of traffic flow on the relinquished portions of Route 1 within its jurisdiction, including, but not limited to, any traffic signal progression.

(h) The commission may relinquish to the City of Oxnard the portion of Route 1 that is located within the city limits of that city and is between Pleasant Valley Road and Route 101, upon terms and conditions the commission finds to be in the best interests of the state, if the commission and the city enter into an agreement providing for that relinquishment.

(1) A relinquishment under this subdivision shall become effective immediately after the county recorder records the relinquishment resolution that contains the commission's approval of the terms and conditions of the relinquishment.

(2) On and after the effective date of the relinquishment, that portion of Route 1 relinquished shall cease to be a state highway and may not be considered for future adoption under Section 81.

(3) For portions of Route 1 relinquished under this subdivision, the City of Oxnard shall maintain within its jurisdiction signs directing motorists to the continuation of Route 1.

SEC. 4. Section 301.2 of the Streets and Highways Code is repealed.

SEC. 5. Section 319 of the Streets and Highways Code is amended to read:

319. (a) Route 19 is from the northern city limit of the City of Lakewood to Gardendale Street/Foster Road in the Cities of Bellflower and Downey.

(b) If the commission determines it is in the state's best interests to do so, it may do the following, pursuant to a cooperative agreement between the respective city and the department:

(1) Relinquish to the City of Bellflower the portion of Route 19 between the city's southerly city limit near Rose Avenue and Gardendale Street/Foster Road.

(2) Relinquish to the City of Downey the portion of Route 19 between the city's southerly city limit at Century Boulevard and Gardendale Street.

(c) A relinquishment under this section shall become effective when the county recorder records the relinquishment resolution containing the commissioner's approval of the relinquishment's terms and conditions.

(d) Any portion of Route 19 relinquished pursuant to this section shall cease to be a state highway on the effective date of the relinquishment.

(e) The relinquished former portions of Route 19 within the Cities of Downey, Lakewood, Long Beach, and Pico Rivera are not state highways and are not eligible for adoption under Section 81. For the relinquished former portions of Route 19, the Cities of Downey, Lakewood, Long Beach, and Pico Rivera shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 19. The City of Lakewood shall ensure the continuity of traffic flow on the relinquished former portion of Route 19, including any traffic signal progression.

SEC. 6. Section 325 of the Streets and Highways Code is amended to read:

325. (a) Route 25 is from Route 198 to Route 101 near Gilroy.

(b) (1) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and conditions approved by it, relinquish to the City of Hollister the portion of Route 25 that is located within the city's jurisdiction between Sunnyslope Road and San Felipe Road prior to the relocation of that portion of Route 25 through adoption of the proposed new easterly bypass alignment of Route 25, if the department and the city enter into an agreement providing for that relinquishment.

(2) The terms and conditions imposed pursuant to paragraph (1) shall include a requirement for the City of Hollister to maintain within its jurisdiction signs directing motorists to the continuation of Route 25 until such time as the new easterly bypass alignment is adopted and opens to traffic.

(3) A relinquishment under this subdivision shall become effective immediately following the recording by the county recorder of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(4) On and after the effective date of the relinquishment, both of the following shall apply:

(A) The relinquished former portion of Route 25 shall cease to be a state highway.

(B) The relinquished former portion of Route 25 may not be considered for future adoption under Section 81.

(5) Upon a determination by the commission that it is in the best interests of the state to do so, the commission shall, upon terms and conditions approved by it, adopt into the state highway system the proposed easterly bypass alignment for Route 25 that is located between Sunnyslope Road and San Felipe Road in the City of Hollister. The adoption may occur at

any time after the effective date of the relinquishment pursuant to paragraph (3).

SEC. 7. Section 339 of the Streets and Highways Code is amended to read:

339. Route 39 is from:

(a) Route 1 near Huntington Beach to the southern city limit of Buena Park.

(b) Route 5 in Buena Park to Route 72 in La Habra via Beach Boulevard.

(c) Beach Boulevard to Harbor Boulevard in La Habra via Whittier Boulevard.

(d) Whittier Boulevard in La Habra to Route 2 via Harbor Boulevard to the vicinity of Fullerton Road, then to Azusa Avenue, Azusa Avenue to San Gabriel Canyon Road, San Gabriel Avenue southbound between Azusa Avenue and San Gabriel Canyon Road, and San Gabriel Canyon Road, other than the portion of the segment described by this subdivision that is within the city limits of Azusa, Covina, and West Covina.

The relinquished former portions of Route 39 within the city limits of Azusa, Buena Park, Covina, and West Covina are not state highways and are not eligible for adoption under Section 81. For the relinquished former portions of Route 39, the Cities of Azusa, Buena Park, Covina, and West Covina shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 39.

SEC. 8. Section 349 of the Streets and Highways Code is amended to read:

349. (a) Route 49 is from:

(1) Route 41 near Oakhurst to Route 140 at Mariposa.

(2) Route 140 at Mariposa to Route 120 near Moccasin.

(3) Route 120 near Chinese Camp to Route 80 near Auburn via the vicinity of Sonora; via Angels Camp, San Andreas, and Jackson; and via the vicinity of El Dorado, Diamond Springs, and Placerville.

(4) Route 80 near Auburn to Route 20 in Grass Valley.

(5) Route 20 at Nevada City to Route 89 near Sattley via Downieville.

(6) Route 89 near Sierraville to Route 70 near Vinton via Loyalton.

(b) The relinquished former portion of Route 49 within the City of Auburn is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 49, the City of Auburn shall maintain within its jurisdiction signs directing motorists to the continuation of Route 49. The city may apply to the department for approval of a business route designation in accordance with Chapter 20, Topic 21, of the Highway Design Manual.

SEC. 9. Section 358 of the Streets and Highways Code is amended to read:

358. (a) Route 58 is from:

(1) Route 101 near Santa Margarita to Route 33.

(2) Route 33 to Route 43.

(3) Route 43 to just west of Van Buren Place near Bakersfield.

(4) Mohawk Street near Bakersfield to Route 99.

(5) Route 99 to Route 15 near Barstow via Bakersfield and Mojave.

(b) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and conditions approved by it, relinquish to the City of Bakersfield or the County of Kern the portion of Route 58 that is located within the jurisdiction of that city or county if the city or county agrees to accept it. The following conditions shall apply upon relinquishment:

(1) The relinquishment shall become effective on the date following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(2) On and after the effective date of the relinquishment, the relinquished portion of Route 58 shall cease to be a state highway.

(3) The portion of Route 58 relinquished under this subdivision shall be ineligible for future adoption under Section 81.

(4) For the portion of Route 58 that is relinquished under this subdivision, the City of Bakersfield or the County of Kern shall install and maintain within the jurisdiction of the city or county signs directing motorists to the continuation of Route 58.

(c) The relinquished former portions of Route 58 within the unincorporated area of the County of Kern and within the City of Bakersfield are not state highways and are not eligible for adoption under Section 81. For the relinquished former portions of Route 58, the County of Kern and the City of Bakersfield shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 58.

SEC. 10. Section 366 of the Streets and Highways Code is amended to read:

366. (a) Route 66 is from:

(1) Route 210 near San Dimas to the eastern city limit of the City of Pomona.

(2) The eastern city limit of the City of Rialto to Route 215 in San Bernardino.

(b) The relinquished former portions of Route 66 within the city limits of the Cities of Claremont, Fontana, Rancho Cucamonga, Rialto, and Upland are not state highways and are not eligible for adoption under Section 81. For the portions of Route 66 relinquished under this section, the Cities of Claremont, Fontana, Rancho Cucamonga, Rialto, and Upland shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 66 and shall ensure the continuity of traffic flow on the relinquished portions of Route 66, including any traffic signal progression.

SEC. 11. Section 368 of the Streets and Highways Code is amended to read:

368. (a) Route 68 is from:

(1) Asilomar State Beach to Route 1.

(2) Monterey to Route 101 in Salinas.

(b) (1) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and

conditions approved by it, relinquish to the City of Pacific Grove or the County of Monterey the portion of Route 68 described in paragraph (1) of subdivision (a) located within the jurisdiction of the city or the unincorporated area of the county, respectively, if the department and the city or county enter into an agreement providing for that relinquishment.

(2) A relinquishment under this subdivision shall become effective immediately following the county recorder's recordation of the relinquishment resolution concerning the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 68 relinquished under this subdivision shall cease to be a state highway.

(B) The portion of Route 68 relinquished under this subdivision shall be ineligible for future adoption under Section 81.

(4) The city or county shall ensure the continuity of traffic flow on the relinquished former portion of Route 68 within its jurisdiction, including, but not limited to, any traffic signal progression.

(5) The city or county shall maintain signs on the relinquished former portion of Route 68 within its jurisdiction directing motorists to the continuation of Route 68.

SEC. 12. Section 374 of the Streets and Highways Code is amended to read:

374. (a) Route 74 is from:

(1) Route 5 near San Juan Capistrano to Route 15 near Lake Elsinore.

(2) Route 15 near Lake Elsinore to Route 215 near Perris.

(3) Route 215 near Perris to the southern city limit of Palm Desert.

(b) The relinquished former portions of Route 74 within the Cities of Palm Desert and Perris are not state highways and are not eligible for adoption under Section 81. For the former portions of Route 74 relinquished under this subdivision, the Cities of Palm Desert and Perris shall maintain within their respective jurisdictions signs directing motorists to the continuation of Route 74 and shall ensure the continuity of traffic flow on the relinquished portions of Route 74, including any traffic signal progression.

(c) (1) The commission may relinquish to the City of Lake Elsinore the portion of Route 74 located within the city limits of that city, upon terms and conditions the commission finds to be in the best interests of the state.

(2) Any relinquishment agreement shall require that the City of Lake Elsinore administer the operation and maintenance of the highway in a manner consistent with professional traffic engineering standards.

(3) Any relinquishment agreement shall require the City of Lake Elsinore to ensure that appropriate traffic studies or analyses will be performed to substantiate any decisions affecting the highway.

(4) Any relinquishment agreement shall also require the City of Lake Elsinore to provide for public notice and the consideration of public input

on the proximate effects of any proposed decision on traffic flow, residences, or businesses, other than a decision on routine maintenance.

(5) Notwithstanding any of its other terms, any relinquishment agreement shall require the City of Lake Elsinore to indemnify and hold the department harmless from any liability for any claims made or damages suffered by any person, including a public entity, as a result of any decision made or action taken by the City of Lake Elsinore, its officers, employees, contractors, or agents, with respect to the design, maintenance, construction, or operation of that portion of Route 74 that is to be relinquished to the city.

(6) A relinquishment under this subdivision shall become effective immediately after the county recorder records the relinquishment resolution that contains the commission's approval of the terms and conditions of the relinquishment.

(7) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 74 relinquished under this subdivision shall cease to be a state highway.

(B) The portion of Route 74 relinquished under this subdivision may not be considered for future adoption under Section 81.

(8) The City of Lake Elsinore shall ensure the continuity of traffic flow on the portion of Route 74 relinquished under this subdivision, including any traffic signal progression.

(9) For portions of Route 74 relinquished under this subdivision, the City of Lake Elsinore shall maintain signs directing motorists to the continuation of Route 74.

(d) (1) Notwithstanding subdivision (a), the commission may relinquish to the City of Hemet the portion of State Highway Route 74 that is located within the city limits of the City of Hemet, upon terms and conditions the commission finds to be in the best interests of the state, if the department and the City of Hemet enter into an agreement providing for that relinquishment.

(2) A relinquishment under this subdivision shall become effective immediately following the recordation by the county recorder of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of State Highway Route 74 relinquished under this subdivision shall cease to be a state highway.

(B) The portion of State Highway Route 74 relinquished under this subdivision may not be considered for future adoption under Section 81.

(4) The City of Hemet shall ensure the continuity of traffic flow on the portion of State Highway Route 74 relinquished under this subdivision, including any traffic signal progression.

(5) For portions of State Highway Route 74 relinquished under this subdivision, the City of Hemet shall maintain signs directing motorists to the continuation of State Highway Route 74.

SEC. 13. Section 382 of the Streets and Highways Code is amended to read:

382. (a) Route 82 is from Route 880 in San Jose to Route 280 in San Francisco.

(b) The relinquished former portion of Route 82 within the City of San Jose is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 82, the City of San Jose shall maintain within its jurisdiction signs directing motorists to the continuation of Route 82 and shall ensure the continuity of traffic flow on the relinquished former portion of Route 82, including any traffic signal progression. The city may apply to the department for approval of a business route designation in accordance with Chapter 20, Topic 21, of the Highway Design Manual.

SEC. 14. Section 386 of the Streets and Highways Code is amended to read:

386. (a) Route 86 is from:

(1) Route 111 to Route 8 near El Centro.

(2) Route 8 near El Centro to Route 10 in Indio via the vicinity of Brawley.

(b) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and conditions approved by it, relinquish the following portions of Route 86, if the department and the applicable local agency enter into an agreement providing for that relinquishment, as follows:

(1) To the County of Imperial, the portions of Route 86 within unincorporated areas of the county from the beginning of the route at the junction of Route 111 to 0.5 mile south of Fredricks Road.

(2) To the City of El Centro, the portion of Route 86 within its city limits.

(3) To the City of Imperial, the portion of Route 86 within its city limits.

(4) To the City of Brawley, the portion of Route 86 within its city limits.

(c) The following conditions shall apply upon relinquishment:

(1) The relinquishment shall become effective on the date following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(2) On and after the effective date of the relinquishment, the relinquished portions of Route 86 shall cease to be a state highway.

(3) The portions of Route 86 relinquished under this subdivision shall be ineligible for future adoption under Section 81.

(4) The Cities of Brawley, El Centro, and Imperial and the County of Imperial shall ensure the continuity of traffic flow on the relinquished portions of Route 86, including any traffic signal progression.

(5) For the portions of Route 86 that are relinquished under this subdivision, the Cities of Brawley, El Centro, and Imperial, and the County of Imperial shall install and maintain, within their respective jurisdictions, the city or county signs directing motorists to the continuation of Route 86 to the extent deemed necessary by the department.

(d) Following the relinquishments authorized in subdivision (b), the portion of Route 86 from 0.5 mile south of Fredricks Road to the north junction of Route 78 shall be redesignated as a part of Route 78.

SEC. 15. Section 430 of the Streets and Highways Code is amended to read:

430. (a) Route 130 is from the eastern city limit of the City of San Jose near Manning Avenue to Route 33 near Patterson via the vicinity of Mount Hamilton.

(b) The relinquished former portion of Route 130 within the City of San Jose is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 130, the City of San Jose shall maintain within its jurisdiction signs directing motorists to the continuation of Route 130 and shall ensure the continuity of traffic flow on the relinquished former portion of Route 130, including any traffic signal progression.

SEC. 16. Section 622.1 of the Streets and Highways Code is amended to read:

622.1. Route 710 shall also include that portion of the freeway between Route 1 and the northern end of Harbor Scenic Drive, that portion of Harbor Scenic Drive to Ocean Boulevard, that portion of Ocean Boulevard west of its intersection with Harbor Scenic Drive to its junction with Seaside Boulevard, and that portion of Seaside Boulevard from the junction with Ocean Boulevard to Route 47.

SEC. 17. Section 890.4 of the Streets and Highways Code is amended to read:

890.4. As used in this article, “bikeway” means all facilities that provide primarily for bicycle travel. For purposes of this article, bikeways shall be categorized as follows:

(a) Class I bikeways, also known as “bike paths” or “shared-use paths,” which provide a completely separated right-of-way designated for the exclusive use of bicycles and pedestrians with crossflows by motorists minimized.

(b) Class II bikeways, also known as “bike lanes,” which provide a restricted right-of-way designated for the exclusive or semiexclusive use of bicycles with through travel by motor vehicles or pedestrians prohibited, but with vehicle parking and crossflows by pedestrians and motorists permitted.

(c) Class III bikeways, also known as onstreet or offstreet “bike routes,” which provide a right-of-way designated by signs or permanent markings and shared with pedestrians and motorists.

SEC. 18. Section 378 of the Vehicle Code is repealed.

SEC. 19. Section 379 of the Vehicle Code is repealed.

SEC. 20. Section 385.2 is added to the Vehicle Code, to read:

385.2. A “logging dolly” is a vehicle designed for carrying logs, having one or more axles that, if there are more than one, are not more than 54 inches apart, and used in connection with a motor truck solely for the purpose

of transporting logs and securely connected with the towing vehicle both by a reach and by the load.

SEC. 21. Section 385.3 is added to the Vehicle Code, to read:

385.3. A “logging vehicle” is a vehicle used exclusively in the conduct of logging operations and not designed for the transportation of persons or property on a highway.

SEC. 22. Section 585 of the Vehicle Code is amended to read:

585. A “station wagon” is a dual purpose vehicle designed for the transportation of persons and also designed in such a manner that the seats may be removed or folded out of the way for the purpose of increasing the property carrying space within the vehicle. The term includes, but is not limited to, types of vehicles which carry the trade names of station wagon, estate wagon, town and country wagon, and country sedan. A vehicle used primarily for the transportation of cadavers to or from a funeral home, mortuary, or burial site is not a station wagon.

SEC. 23. Section 5022 of the Vehicle Code is amended to read:

5022. (a) Until December 31, 1984, a person described in Section 5101 may also apply for a set of commemorative 1984 Olympic reflectorized license plates and the department shall issue those special license plates in lieu of the regular license plates. No commemorative 1984 Olympic reflectorized license plates shall be issued pursuant to an application therefor which is submitted on or after January 1, 1985, but the holder of those plates may thereafter renew or retain them, or transfer them to another vehicle, subject to this section.

(b) The commemorative 1984 Olympic reflectorized license plates shall be of a distinctive design and shall be available in a special series of letters or numbers, or both, as determined by the department after consultation with the Los Angeles Olympic Organizing Committee.

(c) In addition to the regular fees for an original registration or renewal of registration, a special fee of twelve dollars (\$12) shall be paid for the transfer of the special plates to another vehicle.

(d) When payment of renewal fees is not required as specified in Section 4000, or when the person determines to retain the plates upon sale, trade, or other release of the vehicle upon which the special plates have been displayed, the person shall notify the department and the person may retain the special plates.

(e) Until December 31, 1989, duplicate, replacement plates shall be identical commemorative 1984 Olympic reflectorized license plates of the same letter, number, and design as originally issued. However, duplicate, replacement plates of the commemorative 1984 Olympic reflectorized license plate series shall not be available on or after January 1, 1990. Thereafter, unless otherwise provided by this code, regular series plates shall be issued for the fee provided in Section 9265 whenever substitute or duplicate plates are requested.

(f) All revenue derived from the additional special fees provided in this section shall be deposited in the California Environmental License Plate Fund pursuant to Section 21191 of the Public Resources Code.

SEC. 24. Section 5023 of the Vehicle Code is amended to read:

5023. (a) (1) Until December 31, 2013, a person described in Section 5101 may also apply for a set of commemorative Olympic reflectorized license plates and the department shall issue those special license plates in lieu of regular license plates. The commemorative Olympic reflectorized license plates shall be of a distinctive design and shall be available in a special series of letters or numbers, or both, as determined by the department after consultation with the United States Olympic Committee. The department may issue the commemorative Olympic reflectorized license plates as environmental license plates, as defined in Section 5103, in a combination of numbers or letters, or both, as requested by the owner or lessee of the vehicle.

(2) On or after January 1, 2014, original, substitute, or duplicate Olympic license plates, including those issued as environmental license plates, shall not be available. However, the holder of Olympic license plates may thereafter renew or retain those plates, or transfer them to another vehicle, subject to this section. Unless otherwise provided by this code, regular series plates shall be issued for the fee provided in Section 9265 whenever substitute or duplicate plates are requested.

(3) On or after January 1, 2014, the holder of Olympic license plates issued as environmental license plates, as defined in Section 5103, may apply for other special license plates using the exact combination of numbers or letters, or both, if authorized by this code, whenever the holder requests substitute or duplicate plates.

(b) In addition to the regular fees for an original registration or renewal of registration, the following special fees shall be paid:

(1) Fifteen dollars (\$15) for the transfer of the special plates to another vehicle.

(2) Thirty dollars (\$30) for the annual renewal of the special plates.

(c) When payment of renewal fees is not required as specified in Section 4000, or when the person determines to retain the plates upon sale, trade, or other release of the vehicle upon which the special plates have been displayed, the person shall notify the department and the person may retain the special plates.

(d) All revenue derived from the additional special fees provided in this section, less costs incurred by the department pursuant to this section, shall be deposited in the General Fund.

SEC. 25. Section 5068 of the Vehicle Code is amended to read:

5068. (a) (1) (A) A veterans' organization may apply either individually or with other veterans' organizations to meet the application threshold set forth in Section 5060 for special interest plates. An organization that meets the minimum application requirement by applying with other organizations under this subdivision shall be issued a regular license plate bearing a distinctive design or decal approved under subdivision (a) of Section 5060.

(B) The Department of Veterans Affairs may modify the distinctive design or decal described in subparagraph (A), consistent with the design criteria imposed by Section 5060, to honor all veterans, or veterans who

served in a particular war or armed conflict as described in subdivision (a) of Section 5068.1. Special interest plates issued under this section and bearing the modified design or decal shall be issued only after all existing plates have been issued.

(2) Any person who is the registered owner or lessee of a passenger vehicle, commercial motor vehicle, motorcycle, trailer, or semitrailer registered or certificated with the department, or any person who applies for an original registration or renewal of registration of that vehicle may apply under this section for a special interest license plate with a decal that honors all veterans or veterans who served in a particular war or armed conflict.

(3) Special interest license plates issued under this section may be issued in a combination of numbers or letters, or both, requested by the owner or lessee of the vehicle, to be displayed in addition to the design or decal authorized under paragraph (1), subject to Section 5105.

(b) In addition to the regular fees for an original registration, a renewal of registration, or a transfer of registration, the following fees shall be paid by individuals applying for a special interest license plate or a decal issued under this section:

(1) Fifty dollars (\$50) for the initial issuance of the plates and decals. The plates shall be permanent and shall not be required to be replaced.

(2) Forty dollars (\$40) for each renewal of registration that includes the continued display of the plates or decals.

(3) Fifteen dollars (\$15) for transfer of the plates to another vehicle.

(4) Thirty-five dollars (\$35) for replacement plates, if they become damaged or unserviceable.

(5) Ten dollars (\$10) for replacement decals, if they become damaged or unserviceable.

(6) Notwithstanding Section 5106, seventy-eight dollars (\$78) for the personalization of the plates, as authorized under paragraph (3) of subdivision (a).

(c) The department shall maintain on its Internet Web site, a link to order online the special interest license plates issued pursuant to this section.

SEC. 26. Section 5072 of the Vehicle Code is amended to read:

5072. (a) Any person described in Section 5101 may also apply for a set of "Have a Heart, Be a Star, Help Our Kids" license plates, and the department shall issue those special license plates in lieu of the regular license plates. The "Have a Heart, Be a Star, Help Our Kids" plates shall be distinct from other existing license plates by the inclusion of a well within the portion of the license plate that has the alpha-numeric sequence. The well may be placed in any position within that portion of the license plate. A heart shape, a five-pointed star, a hand shape, a plus-sign shape, shall be imprinted within the well itself. However, for purposes of processing the alpha-numeric sequence, the symbol within the well shall be read as a blank within the alpha-numeric sequence. The Department of Motor Vehicles shall cooperate with representatives of the California Highway Patrol and

the Prison Industries Authority to design the final shape and dimension of the symbols for these license plates.

(b) An applicant for a license plate described in subdivision (a) may choose to either accept a license plate character sequence assigned by the department that includes one of the four symbols or request a specialized license plate character sequence determined by the applicant that includes one of the four symbols, in accordance with instructions which shall be provided by the department.

(c) In addition to the regular fees for an original registration, a renewal of registration, or a transfer of registration, the following “Have a Heart, Be a Star, Help Our Kids” license plate fees shall be paid:

(1) Notwithstanding Section 5106, for those specialized license plates whose character sequence is determined by the license owner or applicant:

(A) Fifty dollars (\$50) for the initial issuance of the plates. These plates shall be permanent and shall not be required to be replaced.

(B) Forty dollars (\$40) for each renewal of registration which includes the continued display of the plates.

(C) Fifteen dollars (\$15) for transfer of the plates to another vehicle.

(D) Thirty-five dollars (\$35) for replacement plates, if the plates become damaged or unserviceable.

(2) For those specialized license plates whose character sequence is assigned by the department:

(A) Twenty dollars (\$20) for the initial issuance of the plates. These plates shall be permanent and shall not be required to be replaced.

(B) The legally allowed fee for renewal plus fifteen dollars (\$15) for each renewal of registration, which includes the continued display of the plates.

(C) Fifteen dollars (\$15) for transfer of the plates to another vehicle.

(D) Twenty dollars (\$20) for replacement plates, if the plates become damaged or unserviceable.

(d) When payment of renewal fees is not required as specified in Section 4000, or when the person determines to retain the “Have a Heart, Be a Star, Help Our Kids” license plates upon sale, trade, or other release of the vehicle upon which the plates have been displayed, the person shall notify the department and the person may retain the plates.

(e) The revenue derived from the additional special fees provided in this section, less costs incurred by the department, the Department of the California Highway Patrol, and local law enforcement for developing and administering this license plate program pursuant to this section, shall be deposited in the Child Health and Safety Fund, created pursuant to Chapter 4.6 (commencing with Section 18285) of Part 6 of Division 9 of the Welfare and Institutions Code, and, when appropriated by the Legislature shall be available for the purposes specified in that chapter.

(f) It is the intent of the Legislature that the additional special fees specified in subdivision (e) are not used to replace existing appropriation levels in the 1991–92 Budget Act.

SEC. 27. Section 5101.7 of the Vehicle Code is amended to read:

5101.7. (a) Until December 31, 1984, any person described in Section 5101 may also apply for a set of commemorative 1984 Olympic reflectorized license plates and the department shall issue those special license plates in lieu of the regular license plates. No commemorative 1984 Olympic reflectorized license plates shall be issued pursuant to an application therefor which is submitted on or after January 1, 1985, but the holder of those plates may thereafter renew or retain them, or transfer them to another vehicle, subject to this article.

(b) Except as provided in this section, the issue, renewal, cancellation, retention, and transfer of the commemorative 1984 Olympic reflectorized license plates shall be subject to the provisions of this article as if they were environmental license plates. Until December 31, 1989, duplicate, replacement plates shall be identical commemorative 1984 Olympic reflectorized license plates of the same letter, number, and design as originally issued. On and after January 1, 1990, duplicate or replacement plates shall be provided pursuant to this article.

(c) Notwithstanding the color, design, and number of digit requirements of Section 5102, the department shall design the commemorative 1984 Olympic reflectorized license plates, which shall be reflectorized license plates issued pursuant to Section 4850. The commemorative 1984 Olympic reflectorized license plates shall be of a distinctive design, as determined by the department after consultation with the Los Angeles Olympic Organizing Committee.

SEC. 28. Section 5106 of the Vehicle Code is amended to read:

5106. (a) In addition to the regular registration fee or a permanent trailer identification fee, the applicant shall be charged a fee of forty-eight dollars (\$48) for issuance of environmental license plates.

(b) In addition to the regular renewal fee or a permanent trailer identification fee for the vehicle to which the plates are assigned, the applicant for a renewal of environmental license plates shall be charged an additional fee of thirty-eight dollars (\$38). An applicant with a permanent trailer identification plate shall be charged an annual fee of thirty-eight dollars (\$38) for renewal of environmental license plates. However, applicants for renewal of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional renewal fee under this subdivision.

(c) When payment of renewal fees is not required as specified in Section 4000, the holder of any environmental license plate may retain the plate upon payment of an annual fee of thirty-eight dollars (\$38). The fee shall be due at the expiration of the registration year of the vehicle to which the environmental license plate was last assigned. However, applicants for retention of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional retention fee under this subdivision.

(d) Notwithstanding Section 9265, the applicant for a duplicate environmental license plate shall be charged a fee of thirty-eight dollars (\$38).

SEC. 29. Section 12517.1 of the Vehicle Code is amended to read:

12517.1. (a) A “schoolbus accident” means any of the following:

(1) A motor vehicle accident resulting in property damage in excess of seven hundred fifty dollars (\$750) or personal injury, on public or private property, and involving a schoolbus, youth bus, school pupil activity bus, or general public paratransit vehicle transporting a pupil.

(2) A collision between a vehicle and a pupil or a schoolbus driver while the pupil or driver is crossing the highway when the schoolbus flashing red signal lamps are required to be operated pursuant to Section 22112 or when the schoolbus is stopped for the purpose of loading or unloading pupils.

(3) Injury of a pupil inside a vehicle described in paragraph (1) as a result of acceleration, deceleration, or other movement of the vehicle.

(b) The Department of the California Highway Patrol shall investigate all schoolbus accidents, except that accidents involving only property damage and occurring entirely on private property shall be investigated only if they involve a violation of this code.

SEC. 30. Section 14606 of the Vehicle Code, as added by Section 7 of Chapter 670 of the Statutes of 2012, is amended to read:

14606. (a) A person shall not employ, hire, knowingly permit, or authorize any person to drive a motor vehicle owned by him or her or under his or her control upon the highways unless that person is licensed for the appropriate class of vehicle to be driven.

(b) Whenever a person fails to qualify, on reexamination, to operate a commercial motor vehicle, an employer shall report that failure to the department within 10 days.

(c) An employer shall obtain from a driver required to have a commercial driver’s license or commercial endorsement a copy of the driver’s medical certification before allowing the driver to operate a commercial motor vehicle. The employer shall retain the certification as part of a driver qualification file.

(d) This section shall become operative on January 30, 2014.

SEC. 31. Section 42007 of the Vehicle Code is amended to read:

42007. (a) (1) The clerk of the court shall collect a fee from every person who is ordered or permitted to attend a traffic violator school pursuant to Section 41501 or 42005 in an amount equal to the total bail set forth for the eligible offense on the uniform countywide bail schedule. As used in this subdivision, “total bail” means the amount established pursuant to Section 1269b of the Penal Code in accordance with the Uniform Bail and Penalty Schedule adopted by the Judicial Council, including all assessments, surcharges, and penalty amounts. Where multiple offenses are charged in a single notice to appear, the “total bail” is the amount applicable for the greater of the qualifying offenses. However, the court may determine a lesser fee under this subdivision upon a showing that the defendant is unable to pay the full amount.

The fee shall not include the cost, or any part thereof, of traffic safety instruction offered by a traffic violator school.

(2) The clerk may accept from a defendant who is ordered or permitted to attend traffic violator school a payment of at least 10 percent of the fee required by paragraph (1) upon filing a written agreement by the defendant to pay the remainder of the fee according to an installment payment schedule of no more than 90 days as agreed upon with the court. The Judicial Council shall prescribe the form of the agreement for payment of the fee in installments. When the defendant signs the Judicial Council form for payment of the fee in installments, the court shall continue the case to the date in the agreement to complete payment of the fee and submit the certificate of completion of traffic violator school to the court. The clerk shall collect a fee of up to thirty-five dollars (\$35) to cover administrative and clerical costs for processing an installment payment of the traffic violator school fee under this paragraph.

(3) If a defendant fails to make an installment payment of the fee according to an installment agreement, the court may convert the fee to bail, declare it forfeited, and report the forfeiture as a conviction under Section 1803. The court may also charge a failure to pay under Section 40508 and impose a civil assessment as provided in Section 1214.1 of the Penal Code or issue an arrest warrant for a failure to pay. For the purposes of reporting a conviction under this subdivision to the department under Section 1803, the date that the court declares the bail forfeited shall be reported as the date of conviction.

(b) Revenues derived from the fee collected under this section shall be deposited in accordance with Section 68084 of the Government Code in the general fund of the county and, as may be applicable, distributed as follows:

(1) In any county in which a fund is established pursuant to Section 76100 or 76101 of the Government Code, the sum of one dollar (\$1) for each fund so established shall be deposited with the county treasurer and placed in that fund.

(2) In any county that has established a Maddy Emergency Medical Services Fund pursuant to Section 1797.98a of the Health and Safety Code, an amount equal to the sum of each two dollars (\$2) for every seven dollars (\$7) that would have been collected pursuant to Section 76000 of the Government Code and, commencing January 1, 2009, an amount equal to the sum of each two dollars (\$2) for every ten dollars (\$10) that would have been collected pursuant to Section 76000.5 of the Government Code with respect to those counties to which that section is applicable shall be deposited in that fund. Nothing in the act that added this paragraph shall be interpreted in a manner that would result in either of the following:

(A) The utilization of penalty assessment funds that had been set aside, on or before January 1, 2000, to finance debt service on a capital facility that existed before January 1, 2000.

(B) The reduction of the availability of penalty assessment revenues that had been pledged, on or before January 1, 2000, as a means of financing a facility which was approved by a county board of supervisors, but on January 1, 2000, is not under construction.

(3) The amount of the fee that is attributable to Section 70372 of the Government Code shall be transferred pursuant to subdivision (f) of that section.

(c) For fees resulting from city arrests, an amount equal to the amount of base fines that would have been deposited in the treasury of the appropriate city pursuant to paragraph (3) of subdivision (b) of Section 1463.001 of the Penal Code shall be deposited in the treasury of the appropriate city.

(d) The clerk of the court, in a county that offers traffic school shall include in any courtesy notice mailed to a defendant for an offense that qualifies for traffic school attendance the following statement:

NOTICE: If you are eligible and decide not to attend traffic school your automobile insurance may be adversely affected. For drivers with a noncommercial driver's license, one conviction in any 18-month period will be held confidential and not show on your driving record if you complete a traffic violator school program. For drivers with a commercial driver's license, one conviction in any 18-month period will show on your driving record without a violation point if you complete a traffic violator school program.

(e) Notwithstanding any other provision of law, a county that has established a Maddy Emergency Medical Services Fund pursuant to Section 1797.98a of the Health and Safety Code shall not be held liable for having deposited into the fund, prior to January 1, 2009, an amount equal to two dollars (\$2) for every ten dollars (\$10) that would have been collected pursuant to Section 76000.5 of the Government Code from revenues derived from traffic violator school fees collected pursuant to this section.